State of California AIR RESOURCES BOARD

Resolution 07-46

October 26, 2007

Agenda Item No: 07-10-5

WHEREAS, the Air Resources Board (ARB or Board) and the United States Environmental Protection Agency have established health-based ambient air quality standards for ozone and PM10, and these standards are exceeded in a number of the State's air basins;

WHEREAS, Health and Safety Code sections 39003, 39500, 39602, and 41500 authorize the Board to coordinate, encourage, and review efforts to achieve and maintain the State and national ambient air quality standards;

WHEREAS, Health and Safety Code sections 39001, 39600, 39602, 39605, 40916, and 41500 authorize the Board to act as necessary to execute the powers and duties granted to and imposed upon the Board and to assist California's local air pollution control districts and air quality management districts (districts);

WHEREAS, the use of architectural coatings – which include a wide variety of paints and other coatings that are applied to stationary structures and their appurtenances – results in emissions of volatile organic compounds (VOC) throughout the State;

WHEREAS, under California law the districts have the primary legal authority for adopting control measures for nonvehicular sources such as architectural coatings, as provided in sections 39002, 40000, and 40001 of the Health and Safety Code; however, ARB often provides guidance and other assistance to the districts, including the development of Suggested Control Measures (SCM) for nonvehicular sources over which the districts have primary authority;

WHEREAS an SCM approved by the Board is not directly applicable to persons conducting activities addressed in the SCM; the provisions of an SCM only apply to affected persons to the extent that one or more districts choose to adopt the SCM as a district rule;

WHEREAS, a number of districts adopted architectural coatings rules based on the original SCM for architectural coatings approved by ARB in 1977; ARB approved revisions to the SCM in 1985, 1989 and 2000, and 20 of California's 35 districts have adopted architectural coating rules based on the SCM that was approved by ARB in 2000;

WHEREAS, the ARB staff has developed a proposed amended SCM to control VOC emissions from architectural coatings that reflects various changes to the 2000 SCM, and has brought the proposed amended SCM to the Board for consideration;

WHEREAS, in developing the proposed amended SCM the ARB staff conducted two comprehensive surveys of architectural coatings, evaluated data from durability and performance testing for various coating categories, and performed a technology assessment of all the coating categories in the proposed amended SCM;

WHEREAS, the proposed amended SCM is designed to be considered for adoption by the districts, and is intended to improve air quality, as well as the clarity and enforceability of district architectural coatings rules;

WHEREAS, upon adoption by the districts, implementation of the VOC limits in the proposed amended SCM will reduce the emissions of VOCs from the application of architectural coatings;

WHEREAS, the ARB staff has prepared a Staff Report for the proposed amended SCM, which includes the proposed amended SCM, that was made available for public review and comment in September 2007;

WHEREAS, the California Environmental Quality Act (CEQA) and Board regulations require that no project having significant adverse environmental impacts shall be adopted as proposed if feasible alternatives or mitigation measures are available to reduce or eliminate such impacts;

WHEREAS, the ARB's regulatory program has been certified by the Secretary of Resources pursuant to Public Resources Code section 21080.5, and this certification allows the ARB to include the environmental analysis for the proposed amended SCM in an ARB Staff Report instead of preparing a formal environmental impact report (EIR);

WHEREAS, the ARB Staff Report concluded that the proposed project would not result in any significant adverse environmental impacts;

WHEREAS, the Board has held a duly-noticed public meeting, in accordance with all applicable provisions of law, to consider approval of the proposed amended SCM for architectural coatings, and has heard and considered the comments presented by representatives of the Board, districts, affected industries, and other interested persons and agencies;

WHEREAS, concepts or drafts of the proposed amended SCM were discussed at public workshops on December 12, 2006, March 13, 2007, and June 6, 2007;

WHEREAS, the ARB staff held numerous meetings with individual manufacturers and other interested parties from March 2006 through August 2007;

WHEREAS, in response to comments made by the districts and other stakeholders, the ARB staff has proposed additional revisions to the proposed amended SCM that was made available to the public in September 2007, in order to improve the clarity and enforceability of the proposed amended SCM; Attachment A hereto shows the originally proposed amendments to the 2000 SCM in underline to indicate additions and strikeout to indicate deletions, and the revisions developed since release of the Staff Report are shown in double underline and double strikeout format:

WHEREAS, in consideration of the Staff Report, written comments, and public testimony it has received, the Board finds that:

The application of architectural coatings in the State emits about 95 tons per day of VOCs into the atmosphere;

The emissions of VOCs from architectural coatings contribute to exceedances in many areas of the State of both State and national ambient air quality standards for ozone;

The control and reduction of VOC emissions is necessary to attain and maintain the State and national ambient air quality standards for ozone;

Adequate data exist to establish that the proposed amended SCM is necessary to attain State and federal ambient air quality standards;

Statewide implementation of the proposed amended SCM would reduce VOC emissions from the various coating categories by up to 15 tons per day (excluding the South Coast Air Quality Management District, which is expected to retain its own architectural coatings rule);

The proposed amended SCM will achieve a feasible reduction in VOCs emitted by the architectural paints or coatings listed therein;

To effectively control the emissions of VOCs from architectural coatings applied at widely dispersed locations, and to minimize the regulatory burden on the architectural coatings industry, architectural coatings limits should be uniform among districts which need architectural coatings rules;

The technology to control VOC emissions from architectural coatings to the extent provided in the proposed amended SCM is reasonably available and cost-effective:

The proposed amended SCM is commercially and technologically feasible and necessary;

An economic analysis of the proposed amended SCM was conducted by ARB, and the conclusions and supporting documentation for this analysis are set forth in the Staff Report;

The cost of implementing the proposed amended SCM is justified by the benefit to human health, public safety, public welfare, or the environment;

No reasonable alternative considered or that has otherwise been identified and brought to the attention of the Board would be more effective in carrying out the purpose for which the amended SCM is proposed, or be as effective and less burdensome to affected private persons and businesses than the proposed amended SCM;

The proposed amended SCM is considered a "project" pursuant to CEQA; and

No significant adverse environmental impacts will occur from the adoption and implementation of the proposed amended SCM;

WHEREAS, the Board further finds based on its independent judgment and analysis of the entire record before it that:

With respect to the requirements of CEQA, the proposed amended SCM will not have a significant adverse effect on the environment, but will result in the reduction of VOC emissions from architectural coatings; and

Having determined that the proposed amended SCM will not adversely affect the environment, but rather provide environmental benefits that are achieved both statewide and locally, the proposed amended SCM should not adversely impact any community in the State, especially low-income or minority communities.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the proposed amended SCM for architectural coatings as set forth in Attachment A with additional modifications to Section 5.2, "Most Restrictive VOC Limit" to improve clarity and enforceability; these additional modifications are to be developed by staff after working with the districts and industry for the next thirty days, and shall result in provisions similar to those in the 2000 SCM, with the addition of applicable new coating categories and the deletion of those coating categories deleted by the approved SCM.

BE IT FURTHER RESOLVED that the Board directs the Executive Officer to incorporate into the approved SCM the modifications described above, and then to forward the approved SCM to the districts for their consideration of its adoption in regulatory form.

BE IT FURTHER RESOLVED that the Board strongly encourages districts to adopt the SCM as approved by the Board, without modification.

BE IT FURTHER RESOLVED that the Executive Officer is directed to provide assistance to any district requesting assistance in adopting, interpreting, or implementing the approved SCM.

BE IT FURTHER RESOLVED that districts in need of further VOC reductions than the reductions expected to be achieved by the approved SCM should consider and adopt, if appropriate, the more stringent regulation adopted by the South Coast Air Quality Management District as its Rule 1113.

BE IT FURTHER RESOLVED that in compliance with Public Resources Code section 21081.6(a)(2) and title 14, CCR, section 15091(e), the ARB specifies the Manager, Board Administration and Regulatory Coordination Unit, as the custodian of the documents and other materials that constitute the record of proceedings upon which the approval of the SCM is based; these documents and other materials are located at the offices of the ARB, 1001 I Street, Sacramento, California.

BE IT FURTHER RESOLVED that the Board directs the ARB Executive Officer to take the following actions: (1) monitor the progress of manufacturers in meeting the VOC limits in the approved SCM; and (2) conduct technology assessments prior to the effective dates for each of the VOC limits that are lower than the district limits currently in effect, and (3) propose any future modifications to the approved SCM that may be appropriate.

BE IT FURTHER RESOLVED that the Board directs the ARB staff to continue to work with industry and other stakeholders on assessing the ozone-forming potential (reactivity) of architectural coatings; this analysis will include assessing the reactivity of individual VOC species in consideration of the best available science, assessing the extent to which VOCs emitted from architectural coatings contribute to ozone levels, and conducting a comprehensive survey of the architectural coatings industry.

BE IT FURTHER RESOLVED that the Board directs the ARB staff to work with industry and other stakeholders on assessing the atmospheric availability of individual VOC

species in consideration of the best available science, and assessing the extent to which VOCs emitted from architectural coatings are available for ozone formation.

I hereby certify that the above is a true and correct copy of Resolution 07-46, as adopted by the Air Resources Board.

Lori Andreoni, Clerk of the Board

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October 26, 2007

Identification of Attachments to the Resolution

Attachment A: Proposed Amended Suggested Control Measure (SCM) for Architectural Coatings, with modifications developed since release of the September 2007 Staff Report, as distributed at the Board Hearing on October 26, 2007.